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Citation for published version:
Crosthwaite, P 2012, 'Is a Financial Crisis a Trauma?' Cultural Critique, vol 82, pp. 34-67.,
10.1353/cul.2012.0026

Digital Object Identifier (DOI):
10.1353/cul.2012.0026

Published In:
Cultural Critique

Crosthwaite, P 2012, 'Is a Financial Crisis a Trauma?' *Cultural Critique*, no. 82, pp. 34-67.

Is a Financial Crisis a Trauma?

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The term "traumatic" has no other sense than an economic one.

– Sigmund Freud, Introductory Lectures on Psychoanalysis

Is a financial crisis a trauma? More hangs on this question than might at first appear, for if, as I hope to demonstrate, the answer is yes, then profound implications follow for issues of major importance in critical thought, including the power of symbolic systems to shape experience and material conditions, the challenge of representing disastrous events, and the status of the much-vaunted "return of the Real." To acknowledge a financial crisis as being a trauma, in the particular sense I articulate in this essay, is to overturn conventional assumptions about the relationship between the material and the immaterial in social life.

It is common, of course, for media commentators to refer to financial crises – from the Great Crash of 1929 to the Black Monday crash of 1987 to the "credit crunch" of recent years – as traumas. Academic experts in individual and collective trauma – psychologists, psychoanalysts, social scientists, historians – also frequently analyze financial upheavals in these terms. In National Trauma and Collective Memory (1998), for example, the sociologist Arthur G. Neal observes that "the initial jolt to the economic system [that] came with the stock market crash of October 24, 1929" meant that "the initial trauma of the Great Depression fell disproportionately upon the more privileged members of society who had overextended themselves in the financial markets" (42).

Writing in 2009, the psychoanalyst Robert D. Stolorow, author of Trauma and Human Existence (2007), defines "our current economic crisis" as a "collective trauma" (par. 1). Researchers have also assembled empirical evidence to the effect that deaths from illnesses known to be more prevalent among individuals exposed to traumatic stress rise in societies undergoing systemic financial crises (see James, 137). Fatal cases of heart disease and cancer, for example, increased markedly in New York City (where investors in the stock market were disproportionately located) between 1929 and 1932. As Harold James comments, "It is clear that the financial panic was accompanied by a rise in physiological stress, which was a reaction to the sense that the future consisted literally and psychically of loss and renunciation" (137-38). In a survey gauging reactions to the 1987 Black Monday crash, symptoms associated with traumatic stress, such as difficulty concentrating, sweaty palms, tightness in the chest, and rapid pulse, were reported by over 20 per cent of the individual investors who responded and more than 40 per cent of the institutional investors (Shiller, 11).

These studies invite further investigation into the distribution across different professions, classes, genders, ethnicities, and regions of the traumatic symptoms identified, and prompt comparison between the prevalence and severity of these symptoms and those generated by other forms of social dislocation. They raise questions, too, over whether the traumatic effects of specifically financial crises can be distinguished from those stemming from the wider economic problems (bankruptcy, unemployment, foreclosure, etc.) which often follow stock market crashes and bank insolvencies. Important as they are, these secondary issues, however, assert themselves so readily only if the question with which I began is interpreted as asking something like, "are the effects of financial crises consistent with prevailing clinical diagnostic and social scientific definitions of trauma?" Other, more formal and philosophical issues come to the fore if, instead, it is understood that the question at stake is whether a financial crisis constitutes a trauma in the distinct and precise sense theorized by Jacques Lacan: an encounter with the Real.[1]

Lacan offers this theorization in The Four Fundamental Concepts of Psychoanalysis, his seminar of 1964. There, he introduces the concept of the tuché, which he borrows from Aristotle on accidental causality and "translates" as "the encounter with the real" (1981, 53, italics in original). In psychoanalysis, Lacan explains, "the function of the tuché, of the real as encounter," finds its privileged form in "the trauma" (55). Because, for Lacan, the Real is fundamentally incompatible with, and therefore cannot be punctually assimilated to, the symbolic codes that structure subjectivity, the traumatic encounter is "essentially the missed encounter" (55); yet the effects of this encounter on the patterns of signification woven by the subject are continually apparent. As Slavoj Žižek comments, "the Real is the shock of a contingent encounter which disrupts the automatic circulation of the symbolic mechanism; … a traumatic encounter which ruins the balance of the symbolic universe of the subject" (2008, 192). Precisely as an "irruption of a total contingency, the traumatic event is nowhere given in its positivity," but it "produces a series of structural effects (displacements, repetitions, and so on)" which manifest themselves as "distortions of the symbolic structure" (193, 182).

Answering the question of whether a financial crisis constitutes a trauma in this Lacanian sense yields several major insights. Firstly, it provides a means of assessing the commonplace claim that such crises occur when an "unreal" financial system comes up against some unyielding point of resistance in the "real economy." Exactly how "real" (or Real) is this "real economy"? Lacan's categories bring some precision to what is often a vague and nebulous discourse (ironically, given its ostensible emphasis on the stubbornly concrete). Conversely, and more significantly, an alternate theorization of the Real makes it possible to see that the traumatic status of a financial crisis lies not so much in its exposure of the insubstantial domain of the markets to the weight and inertia of real, material things, but rather in its revelation of the weirdly implacable character of this very symbolic domain itself. As my elaboration of this theoretical position will show, financial crises are traumatic events because they demonstrate that capital – the intangible medium of social existence – not only possesses a destructive power comparable to all but the most cataclysmic material objects or processes, but also poses a unique challenge to apprehension and representation. As we will see, trauma theorists have enumerated various historical circumstances under which encounters with the Real are staged, but financial crises are qualitatively distinct from these other forms of iconic traumatic event in that the damage they inflict on symbolic structures derives not from material violence, but from a violence that is itself purely symbolic. This essay thus makes a critical intervention in psychoanalytic trauma theory, by presenting financial crises as evidence that the field has too readily reduced the Real to the material; but it also aims to contribute to economic thought by demonstrating the capacity of psychoanalytic theory to elucidate some of the more enigmatic features of finance capital itself. It posits the idea that the recent convulsions of the global financial system arise from the intensification of logics of automation and abstraction already in place at least as far back as the early twentieth century (and in many ways integral to finance capital as such), and attempts to offer a theorization of financial crisis that captures some of the common characteristics of a number of individual crises from across the last century.

“The Black Light of the Oil Well”: The Materiality of Crises

As I have already intimated, from the theoretical perspective adopted by this essay, global financial markets appear as vast outgrowths of what Lacan calls the symbolic order, semiotic fields constituted by the exchange of signs whose values, in Saussurean fashion, are established “as an effect of a system of relations,” as Jean-Joseph Goux puts it (167-68). Goux and other cultural theorists have argued that since the late nineteenth century these financial sign-structures have gradually lost a referential relation to underlying material conditions. Goux writes: “the value of the stock market security appears as an emanation of instantaneous global interrelations rather than inhering in what is referred to as ‘real value’ or a ‘factual value’ that has some basis in an ‘objective foundation’” (167). For Brian Rotman, the “reflexivity” of the “money sign” of contemporary finance capital (what he terms “xenomoney”) is demonstrated by “its independence … from the physically determined constraints of underlying trade” (1987, 96). According to Mark C. Taylor, as a result of “the displacement of the industrial, productive, or real economy by the financial economy” from the 1970s onward, “the economy became a play of floating signifiers whose relations to ‘real’ referents grew ever more tenuous” (142). Fredric Jameson contends that with the hegemony of globalized finance, “money capital has reached its ultimate dematerialization, as messages which pass instantaneously from one nodal point to another across the former globe, the former material world” (1997, 260). And Jean Baudrillard, describing this phenomenon in characteristically poetic terms, claims that, "the hyper-realization of big finance capital [is] orbitalized above our heads on a course quite beyond our grasp, and a course which is … also beyond the grasp of reality itself…. The billions of dollars of speculative capital have become a satellite-heap, revolving endlessly around the planet" (23, 24). As Andreas Langenohl suggests, such views of financial markets posit a "detachment" thesis (7), whose "baseline … can be summarized as follows: in informational capitalism, trade is primarily trade with symbols, escapes the limitations of space, creates or destroys capital in real time, and functions independently of the somewhat retarded accumulation logic of industrial capitalism" (6).

Some theorists, however, acknowledge that financial markets ultimately remain "embedded" (to use Langenohl's term [6]) in underlying structures. Mark C. Taylor, for example, observes that though the economy may become "increasingly spectral until it is virtually nothing but the play of signifiers endlessly recycling in recursive loops that are unmoored from what was once called the 'real' economy," "the real … does not simply disappear but is temporarily repressed and eventually returns to disrupt what had seemed to replace it…. When the repressed finally returns, collateral damage is difficult to contain" (180). Arthur Kroker likewise argues that the drifting, orbitalized finance capital evoked by Baudrillard remains acutely vulnerable to "the accident of the real":

> Everywhere, capitalism is only twenty-four hours away from collapse if any part of its real material base stops working in real-time: the collapse of the electrical grid, slippages in network routers, glitches in trading systems

> supporting complex financial transactions, oil that will not stop flowing, wage strikes that shut down emergent economies. (par. 4)

Similarly, in a recent critique of theories of finance that pursue the (post)structuralist "linguistic turn" – a turn itself "coterminous" with "the era associated with financialization in the United States" – Joshua Clover invokes the notion of a "return of the real" in relation to capital's ongoing crises, arguing that it is now apparent that "fictitious capital was just that…. [T]he law of value asserted itself with savage clarity, fictitious capital was destroyed, jobs were annihilated, exported immiseration refluxing toward the economic cores" (113).

An important distinction must be drawn at this point. When the theorists I have quoted mention "the real," "the real economy," "real value," "an objective foundation," "underlying trade," "the material world," "reality itself," or the "real material base," they must be understood as referring not to the Real as such but to that ontological plane that Žižek, with reference to Lacan, defines as "the social reality of the actual people involved in interaction and in the productive process" (2000, 276). Here, "the materials of nature are socially coded and shaped, via the material process of labor, for social use," becoming "fully integrated into the symbolic universe of the social" (Breu, 194). It is the realm of what McKenzie Wark (following Georg Lukács and Antonio Negri) terms "second nature" – the realm of "labor, capital, [and] commodities," "production, existence, and survival" (176, 178). It is also the realm in which, via the functioning of what Lacan calls the imaginary order, subjects form fantasmatic identifications with iconic, idealized images that, in the terms of Louis Althusser's Lacanian-inflected

Marxist ideology critique, distort the "relationship of individuals to their real conditions of existence" (Althusser, 109). Intractable obstacles or blockages in this material-symbolic-imaginary domain have indeed, as Kroker and Taylor suggest, caused violent convulsions in the "third nature" (Wark, 170-78) made up of the insubstantial semioscapes of the financial markets. To take three major examples: the quadrupling of the price of oil after the embargo imposed by the Arab petroleum exporting countries in October 1973 severely compounded a global bear market in stocks that had begun early that year and would run until late 1974, proving ultimately to be the worst downturn since World War II; declining world demand for the commodities on which the Russian export economy is based (oil, natural gas, metals, timber) was a major contributory factor in the nation's stock market collapse, currency devaluation, and debt default in August 1998, a crisis whose systemic reverberations rapidly overwhelmed the massive American hedge fund Long-Term Capital Management; and the inability of hundreds of thousands of Americans to earn sufficient income to repay the "sub-prime" mortgages they had taken out to purchase their homes was, of course, the trigger for the devastating spasm in credit markets that began in the summer of 2007 and eventually annihilated some of the most prominent institutions on Wall Street and in the City of London and other financial centers.

Far from being exposed to the Real as such, however, in these cases financial markets confronted fully social and symbolic (if also in many ways material) antagonisms and deadlocks. However, the markets <u>are</u> undoubtedly acutely vulnerable to the Real in at least one of its forms: that of a "presymbolic," "prediscursive," or "uncoded" materiality (Shepherdson, 28-29; Breu, 194, 197). As Christopher Breu comments, this domain

> is precisely that which resists and sets limits on, even as it contains the resources for, socioeconomic development in any given epoch. It is that which has not yet been socialized and symbolically reshaped through labor (physical or otherwise), and to the degree that human labor and knowledge have not reached the point of being able to socialize it, it represents the inert outside or ground of human activity. (197)

The Real, in this sense, is the brute fact of the world as it is given to us by the impersonal contingencies of cosmic history – "raw nature" in Wark's terms (85). It is what Lacan gestures toward when he refers to "things which at first run together in the *hic et nunc* of the all in the process of becoming" (2006a, 229), or when he speaks of "the entirety of things, ... the totality of the real" (1988a, 262), or of "the primordial real, … a real that we do not yet have to limit" (1992, 118); or when, in discussing Freud's famous dream of looking down the gaping throat of his patient, Irma, he invokes "the real lacking any possible mediation, … the ultimate real, … the essential object which isn't an object any longer, but this something faced with which all words cease and all categories fail" (1988b, 164). "The irreducible real [sic]," Catherine Belsey writes with reference to Lacan, makes itself knowable today "in the form of melting icecaps, floods, [and] forest fires" (60). It is manifest, too, in violent natural phenomena such as earthquakes or storms, which, as Bülent Somay remarks, belong “in the realm of the Real” because they possess “no ideas or feelings that have a meaning in the symbolic order” (par. 4).

Two major financial downturns of recent decades that are attributable to such irruptions of the Real of nature occurred in Japan. The plunge in the Nikkei stock index in January 1995, following the earthquake that devastated the city of Kobe, remains particularly notorious because it sealed the fate of the venerable British merchant bank, Barings, whose Singapore-based “rogue trader,” Nick Leeson, had secretly made massive investments in Nikkei futures contracts, gambling that the index would rise. The earthquake and tsunami that struck eastern Japan in March 2011, causing a meltdown at the Fukushima Nuclear Power Plant, also resulted in sharp falls in the Nikkei (and other indexes around the world).

Finance capital is especially sensitive to shortfalls in the supply of “the stored solar energy of countless ancient years” (Vadén, par. 24) encased within the earth in the form of oil, coal, and gas. Borrowing terminology used by Lacan, Peter Hitchcock suggests that “in the real [sic] of oil’s meaning for modernity” lies the potential for “the traumatic experience or tuché” (89). Tere Vadén argues that the acute threat to global, and especially US, growth posed by the exhaustion of the largest, most accessible, and highest quality oil reservoirs over recent decades necessitated a jarring structural shift toward debt as the primary economic motor, preparing the way for the credit crisis of the last few years. The fall in global equities markets that attended the crunch in 2008 was exacerbated by the rising price of oil, a response, in part at least, to the intensifying physical constraints on extraction of the fuel. As Vadén puts it: “The financial crisis and the oil crisis are closely linked; amidst the lost growth shines the black light of the oil well" (par. 29). Whereas the oil crisis that deepened the financial slump of 1973-74 was a thoroughly social phenomenon, a strategic, artificial manipulation of supply in the interest of economic and political objectives, that which intensified the credit crunch of 2007-08 occurred under the pressure of objective conditions that lie in the Real.

It is apparent, then, that some financial crises are attributable to the force of the Real in one of its forms. However, natural disasters or scarcities of natural resources are not, in and of themselves, destructive or traumatic from the point of view of the symbolic sphere of the financial markets; instead, the negative effects of such phenomena on the values of a wide array of financial asset classes reflect the actual and projected damage caused to the underlying "real economy" – to production, trade, communications and transportation infrastructure, and so on. After the Kobe earthquake, Japanese markets held steady for a full week, until ever-mounting estimates of the costs of reconstruction finally triggered heavy selling; the markets, that is, registered the event only after it had been quantified, coded, and absorbed into the symbolic order. Following the earthquake and tsunami in March 2011, the fall in prices was much more rapid but no less mediated, since it was the memory of 1995 – still strong in the minds of many investors – which conditioned the markets to expect huge reconstruction costs arising from the latest disaster. Second nature mediates between first or "raw" nature and third nature. More importantly, there are numerous examples of financial crises that have no clear external cause, whether in the real economy or in the Real itself. Examples include events as significant as the Great Crash of 1929, Black Monday in 1987, and the bursting of the new technology or "dot-com" bubble in 2000. Moreover, as the "econophysicist" Didier Sornette has argued, even financial crises that can be linked to some specific external factor appear to be driven to a significant extent by dynamics internal to the markets themselves: the "cause" is incidental – "a crash occurs because the market has entered an unstable phase and any small disturbance may have triggered the instability" – and the crisis follows its own, autonomous, self-perpetuating logic (3-4).

"This Self-Engendering Monster": Capital and the Symbolic Real

Evidence of the endogenous origins of financial crises need not contradict the notion that they entail a traumatic encounter with the Real; rather it may instead strengthen it, if, far from simply existing as an inert, presymbolic substance wholly other to the sign-system of the markets, the Real is in fact an integral, structural element of that system itself. This is precisely the view articulated by Slavoj Žižek in a series of texts over the last decade, beginning with The Ticklish Subject (1999). Here, Žižek radicalizes the Marxist notion of "real abstraction" to claim that "Capital itself is the Real of our age." He continues:

> when Marx describes the mad self-enhancing circulation of Capital, whose solipsistic path of self-fecundation reaches its apogee in today's meta-reflexive speculations on futures, it is far too simplistic to claim that the spectre of this self-engendering monster … is an ideological abstraction, and one should never forget that behind this abstraction there are real people and natural objects on whose productive capacities and resources Capital's circulation is based …. The problem is that this "abstraction" is not only in our (financial speculator's) misperception of social reality – it is "real" in the precise sense of determining the structure of the material

> social processes themselves: the fate of whole strata of populations, and sometimes of whole countries, can be decided by the "solipsistic" speculative dance of Capital, which pursues its goal of profitability in a benign indifference to how its movements will affect social reality…. The Real is the inexorable "abstract" spectral logic of Capital which determines what goes on in social reality. (2000, 276)[2]

This alignment of capital with the Real has proved to be one of Žižek's most contentious claims. When he offers a version of it in dialogue with Judith Butler and Ernesto Laclau, his interlocutors are sharply critical. Butler remarks that "this is a peculiar way to use the notion of the 'Real'" (Butler et al., 277), while Laclau complains:

> [Žižek] knows as well as I do what the Lacanian Real is; so he should be aware that capitalism *cannot* be the Lacanian Real. The Lacanian Real is that which resists symbolization, and shows itself only through its disruptive effects. But capitalism as a set of institutions, practices, and so on can operate only in so far as it is part of the symbolic order. (Butler et al., 291, emphasis in original)

As Matthew Sharpe suggests, however, Žižek's argument would carry theoretical weight if it were possible to conceive of an ontological category that was simultaneously Symbolic <u>and</u> Real – a task Žižek has pursued in his attempts to distinguish between "different modalities of the Lacanian Real" (Sharpe, 201). The terms Žižek coins in making these distinctions are inelegant – even, as he puts it, “brutal” (Žižek and Daly, 68) – but their significance to his project cannot be underestimated. In a detailed treatment of this topic, he writes:

> There are three modalities of the Real: the “real Real” (the horrifying Thing, the primordial object, from Irma’s throat to the Alien); the “symbolic Real” (the real as consistency: the signifier reduced to a senseless formula, like quantum physics formulas which can no longer be translated back into – or related to – the everyday experience of our life-world); and the “imaginary Real” (the mysterious *je ne sais quoi*, the unfathomable “something” on account of which the sublime dimension shines through an ordinary object). (2002, xii)

As Žižek confirms in an interview, “capital is the symbolic Real; this basic neutral structure which persists” (Žižek and Daly, 151). Even allowing for this clarification, Sharpe rightly notes that, “if Žižek thinks that the capitalist economy is Real, he risks at every moment the kind of fetishisation of it that Marx ceaselessly railed against … or … a repetition of how political economists <u>themselves</u> would like to see their object” (201, emphasis in original). My wager in what follows, however, is that the analytical insights to be gained by adopting Žižek’s argument as a heuristic model outweigh the very genuine political risks it poses.

“Like an Insensate Thing”: The Automatism of Crises

What consequences follow, then, if a financial crisis is conceptualized as a traumatic encounter not with the "real Real" of nature but with the "symbolic Real" of capital? Firstly, it becomes possible to see how such events might occur not only semi-autonomously with respect to underlying material conditions, but also somehow independently of human agency itself. Both for detached observers and for the very individuals issuing and executing the transaction orders, financial crashes have always possessed an eerily inhuman, inexorable quality. Even if you are the one selling, and thereby contributing to the downturn, the crash is always happening elsewhere, anonymously, overtaking you, and the very act of liquidating your assets is not so much a calculated decision as an automatic expression of the impersonal, objective, ineluctable process in which you are caught up. David Zimmerman describes how, as long ago as the end of the nineteenth century, the United States was prone to financial crises that "radiated across the chains of exchanges and obligations latticing the market system, borne along, seemingly inexorably, by uncanny forms of 'sympathetic affection' and collective fear" (5). Such phenomena are powerfully evoked by a <u>New York Times</u> reporter's eyewitness account of the events of October 24, 1929 – "Black Thursday." Here, the event is "unreal" – beyond anything that could be imagined, outside of all that seemed probable or "realistic" – precisely to the extent to which it lies in the Real:

> Around eleven o'clock the deluge broke.
>
> It came with a speed and ferocity that left men dazed…. From all over the country a torrent of selling orders poured onto the floor of the Stock Exchange and there were no buying orders to meet it. Within a few

> moments the ticker service was hopelessly swamped and from then on no one knew what was really happening….
>
> The animal roar that rises from the floor of the Stock Exchange and which on active days is plainly audible in the Street outside, became louder, anguished, terrifying….
>
> Agonizing scenes were enacted in the customers' rooms of the various brokers. There traders who a few short days before had luxuriated in delusions of wealth saw all their hopes smashed in a collapse so devastating, so far beyond their wildest fears, as to seem unreal….
>
> The market seemed like an insensate thing that was wreaking a wild and pitiless revenge upon those who had thought to master it. (Bell, 114-17)

As John Kenneth Galbraith notes in his classic study of the crash, the downturn on the New York Stock Exchange that day was, to a significant extent, automatic in a strong sense, since "prices as they fell … kept crossing a large volume of stop-loss orders – orders calling for sales whenever a specified price was reached…. Each of these stop-loss orders tripped more securities into the market and drove prices down farther. Each spasm of liquidation thus insured that another would follow" (103). These stop-loss orders were rudimentary forms of what is now known as "program trading." Program trading software systems use complex algorithms and enormous processing power to perform real-time analysis of shifting market conditions, issuing – and increasingly executing – transaction instructions at phenomenal speed. Such systems have been heavily implicated in a number of crashes. On October 19, 1987 – "Black Monday" – for example, when the Dow Jones Industrial Average fell by 22.6 per cent, its largest ever one-day decline, losses were amplified by a program trading-generated feedback loop between the New York Stock Exchange and the derivatives market at the Chicago Mercantile Exchange, which pushed prices at both sites relentlessly downward.[3] On 6 May 2010, the Dow Jones suffered its worst ever intraday point fall, plunging by around 1,000 points and wiping nearly $1,000 billion off the value of US shares in a matter of minutes, before largely rebounding. A report by US regulators determined that the drop was triggered by an unusually large and rapid sell off of futures contracts, which prompted computer systems performing an advanced form of program trading – "high-frequency trading" – to launch into vast waves of selling. Unsurprisingly, given that high-frequency trading now accounts for 56 percent of total stock market trading (Bowley 2011, 2), a succession of mini "flash crashes" has since occurred. In September 2010, the share price of a Fortune 500 energy company dropped almost 90 percent when "a wayward keystroke by a trader somewhere … unleashed a powerful computer algorithm that devoured [the] stock in moments" (Bowley 2010, 1). James J. Angel, an expert in financial regulation at Georgetown University commented, "It's like seeing cracks in a dam…. One day, I don't know when, there will be another earthquake" (qtd. in Bowley 2010, 2).

These occurrences are particularly striking indications of the symbolic-Real nature of capital. As Laclau would stress, they arise from the functioning of "institutions" and "practices": corporations, stock exchanges, regulatory bodies; mathematical research, software programming, hardware and infrastructure design. They are by-products of meticulously contrived sets of rules and instructions. Yet the highly formalized "computational logics and complex binary languages" (Lenglet, 47) in which these rules and instructions are expressed are unintelligible – "senseless," as Žižek puts it – for all but a tiny minority of experts, while the speed and complexity of data processing far exceed the capacity of human cognition. Automated trading systems are increasingly generating financial crises in which human beings are reduced to the status of mere bystanders, while, with relentless mechanical efficiency, the products of scientific and technological expertise mutely sift the signifiers of an abstract sign-system, indifferently pursuing their programmed course. In one of his visionary essays from the 1990s, the British philosopher Nick Land speaks of "silicon viro-finance automatisms," for which even "massively distributed and anonymized human ownership" has become nothing more than "vacuously nominal" (337). "What appears to humanity as the history of capitalism," Land suggests in a characteristically audacious inversion, "is an invasion from the future by an artificial intelligence space that must assemble itself entirely from its enemy's resources" (338). Though drawn from "the very fibres of our own being," in Fredric Jameson's words, capital, like "the world of the human age in general," is nonetheless "more alien to us than nature itself" (2009, 608). The "massive Being of capital" (Jameson 1991, 48) is a human creation, but we are not at home within it. Financial crises reveal this inhuman dimension of capital, a capital that is composed at once of abundant, diverse content and pure, formal structure; that is both subjective and objective; organic and mechanical; affective and impassive; libidinal and anhedonic; human and alien; living and dead; Symbolic and Real. In a crisis, the inner workings of capital are exposed to view: the churning of meaningless numbers regulated by a remorseless machinic logic. It is a spectacle as appalling and alienating in its way as that of Irma's throat in Freud's dream, described by Lacan as "a horrendous discovery … that of the flesh one never sees, the foundation of things, the other side of the head, of the face … the flesh from which everything exudes, at the very heart of the mystery" (Lacan 1988b, 154).

The disturbing awareness that such devastating crises may occur without clear external causes and via systems at once human-engineered and yet independent, to a significant degree, from human agency and intervention accounts for a widespread and persistent desire to attribute the Black Monday crash (against the weight of evidence) to a cause that lies in the "real Real" of nature: an extraordinarily severe (by British standards) storm that hit the southeast of England on the night of Thursday October 15, 1987.[4] According to the theory, the damage caused by the storm led investors to turn temporarily bearish about the UK economy and, because it resulted in the closure of all London markets the following day, prevented City traders from closing their positions at the end of the week; these factors, in turn, unsettled markets around the world (especially in New York), precipitating the crash when trading resumed the following Monday. The appeal of this theory, I suspect, lies in the fact that it is, ultimately, preferable for our social and economic fate to be at the mercy of "raw nature" – tangible, visible, and intelligible, if unpredictable and uncontrollable – than a "third nature" that we have constructed but that we cannot touch, see, master, or, frequently, comprehend.

Crises like Black Monday are traumas, in the Lacanian sense, not only because they consist of overwhelming encounters with the Real – a Real here hardwired into the Symbolic itself – but because they produce warps and distortions in the network of signifiers that constitutes the markets at large. Striking evidence of this phenomenon became visible after October 1987 in US (and to a lesser extent other) options markets – that is, markets in which investors trade derivative contracts granting the option to buy or sell an asset at a given price (the strike price) on, or before, a specified date. As the sociologist Donald MacKenzie describes, prior to the crash of '87, the relationship between the strike price and the implied volatility (or extent of price fluctuation) of options on the same underlying asset with the same time to expiration date formed a flat line on a graph (as the famous Black-Scholes-Merton model of options pricing dictated). After Black Monday, however, "the flat-line relationship … disappeared, and was replaced by a distinct 'skew,'" which still persists. On that day, investors learned that "stock markets could suddenly fall by previously unthinkable amounts," threatening "the very existence of derivative markets." It is this "collective trauma," MacKenzie postulates, which "sustains the skew" – an "incorporation into option prices of the possibility of a catastrophic but low-probability event." Prices, in other words, "have incorporated the <u>fear</u> that the 1987 crash would be repeated" (202, 206, 205, emphasis in original). In Lacanian terms, this lasting wrinkle in the symbolic fabric of the markets is consistent with the functioning of the "<u>automaton</u>, the return, the coming-back, the insistence of the signs" (Lacan 1981, 53), whose role it is endlessly, robotically to register the <u>tuché</u>, the rupturing, traumatizing encounter with the Real.

"Like a Flood or an Earthquake": The Unrepresentability of Crises

An understanding of financial crises as emanations of the symbolic Real helps, then, to account for their weirdly agentless, implacable, phantasmatic, and therefore profoundly disturbing qualities. It is useful, too, in theorizing the extreme difficulty, if not impossibility, of representing such crises, both verbally and visually. As I have suggested, we are concerned here with symbolic crises – crises of signs. A representation of a financial crisis as such would thus consist of signs that represent other signs, rather than any form of material object or action. What is the nature of the financial signs that are to be represented? In the seminar on Poe's "The Purloined Letter," Lacan describes money as "the signifier that most thoroughly annihilates every signification" (2006b, 27). Echoing this remark in an interview about the global financial crisis, Jacques-Alain Miller observes that "money is a signifier without signification, which kills all significations" (par. 4). Such statements would seem to contradict a seminal moment in the formulation of structural linguistics, when Ferdinand de Saussure illustrates the interdependence of the "vertical" relationship between signifier and signified and the "horizontal" relationship between one signifier and another through a monetary analogy: "to determine what a five-franc piece is worth one must … know: (1) that it can be exchanged for a fixed quantity of a different thing, e.g. bread; and (2) that it can be compared with a similar value of the same system, e.g. a one-franc piece, or with coins of another system (a dollar, etc.)" (115). While a coin may have an ambit of familiar significations (in the form of everyday commodities) and a readily intelligible value, however, the monetary signifiers of finance capital fail to signify, much as Lacan and Miller suggest. A share price, a stock index figure, a futures contract, a collateralized debt obligation are (or are composed of) abstract signifiers, lacking in communicative capacity, which derive from clusters of other signifiers, themselves distinctly opaque, blank, and inexpressive. These signifiers' notional connotation of some ultimate ground of value embedded in the landscape of commodity production and consumption is, even for highly informed individuals, almost impossible to discern. Whether symbolically, iconically, or indexically, they possess little or no power to evoke a signified. Like the "senseless" formulae described by Žižek, they "can no longer be translated back into – or related to – the everyday experience of our life-world." As Richard Sieburth remarks of the numismatic symbols that pervade Ezra Pound's late cantos, these are "signifiers without signifieds" (144); they are material signifiers, whose fluctuations, interactions, and substitutions recall the formalist mathematician David Hilbert's famous description of his discipline as consisting of manipulating "meaningless marks on paper" (qtd. in Rotman 2000, 6) (today, in the case of the financial markets, "meaningless marks on screen" would be more precise). In a crisis, the signifiers on the stock ticker or balance sheet change exceptionally rapidly, but assume no greater significatory scope. An authentic representation of a financial crisis would thus be not simply a representation of a pre-existing symbolic field, but of a symbolic field that itself lacks discernable significations – a field of inscrutable, indecipherable code.

The challenge to representation is greater still, however. If, to the extent to which the monetary signifiers of finance capital lie in the Symbolic, they tend to "annihilate every signification," then, to the extent to which they lie in the Real, they "resist symbolization absolutely" (Lacan 1988a, 66). Not only do they not signify, they cannot be signified. Financial crises are unusual, if not unique, in being disasters in which no <u>thing</u> is destroyed. There is, ultimately, nothing in the crisis to represent because that which is destroyed lacks all substance: it is simply capital in its purest, most abstract, immaterial, spectral – and thus, for Žižek, paradoxically Real – form. At the core of a financial crisis is an absence, a gap, an empty space – not the contingent loss of an earlier plenitude, however, but a constitutive lack, a lack that the loss of the crash merely renders starkly apparent. The trauma of the crisis entails a vertiginous glimpse into this abyssal dimension of social reality, an emptiness at the centre of things that everyone knows to be there but that, in the ordinary course of events, is concealed by the apparent solidity and assumed exchangeability of the abstract units of value that mediate our social existence.

The symbolic resources available to us are very limited in their capacity to describe or depict the loss of something that never existed, physically, in the first place. We try to cover up this ontological scandal by describing the loss as if it were the very thing it is not: a material (particularly natural) disaster, with all its massive tangibility, presence, and visibility. Hence those familiar, indispensable, now thoroughly calcified metaphors, many of which have featured in this essay, both in my own prose and in the quotations I have extracted: “crash” itself, of course, but also “crunch,” “convulsion,” “spasm,” “collapse,” “crack,” “reverberation,” “radiation,” “smash,” “deluge,” “torrent,” and “earthquake,” as well as “shock wave,” “meltdown,” “eruption,” “tsunami,” “hurricane,” and numerous others. For an impression of the longevity and ubiquity of vocabulary of this kind, even in highly reflexive discursive fields, consider some prominent examples of the intellectual and literary response to the Great Crash of 1929: Edmund Wilson, for instance, concluding his 1932 article “The Literary Consequences of the Crash” with the words, “the slump was like a flood or an earthquake, and it was long before many things righted themselves”(499); the leftist art collective the John Reed Club of New York (named after the American journalist and communist activist) describing the crash, in their Draft Manifesto of the same year, as falling on the heads of the liberal intelligentsia “like a thunderbolt” (420); or Thomas Wolfe in 1934’s You Can’t Go Home Again – the most notable and extended fictional treatment of the crash – referring to “faint tremors” that culminate in a “thunderous crash,” characterizing the “collapse of the Stock Market” as “like the fall of a gigantic boulder into the still waters of a lake,” speaking of “the mighty roar of tumbling stocks in Wall Street,” which echo “throughout the nation,” and finding in falling share values “the initial explosion which in the course of the next few years was to set off a train of lesser explosions all over the land” (246, 120, 253, 281, 282). Similar imagery features in visual representations. Probably the best known depiction of the ’29 crash by a visual artist, James N. Rosenberg’s lithograph Dies Irae (Oct 29), an immediate response, produced at the height of the panic, depicts what would come to be known as “Black Tuesday” as a “day of wrath” on which the Stock Exchange, Trinity Church, and the rest of Wall Street crumble and collapse beneath a thunderous, lightning-torn sky, while desperate, distorted, Munch-esque figures swarm frantically into the foreground (Figure 1).

Figure 1. James N. Rosenberg, *Dies Irae (Oct 29)*. 1929. Lithograph on paper.

Smithsonian American Art Museum, museum purchase.

Remarkably, given the event's "world-historical" importance (James, 131), the wide scholarly interest in the art and literature of the Great Depression, and the inherent richness of the textual and visual material in question, the cultural reaction to the specific shock of the Great Crash has received little critical attention. The crisis of representation apparent in the cultural response to history's greatest crisis of capitalism, moreover, has particular resonance amid our present conjuncture, when the question of the figurative capacity of art and literature in the face of financial disaster is once again of urgent interest.[5] The photographic archive spawned by the crash of '29 is especially intriguing because photography, in its inherent literalism, poses particularly starkly the question of how to represent a catastrophe that is essentially invisible and immaterial. One thinks, most obviously, of the iconic press shots of crowds thronging Wall Street as the orgy of selling played out inside the Stock Exchange. As Elliott V. Bell describes,

> the streets were crammed with a mixed crowd – agonized little speculators, walking aimlessly outdoors because they feared to face the ticker and the margin clerk; sold-out traders, morbidly impelled to visit the scene of their ruin; inquisitive individuals and tourists, seeking by gazing at the exteriors of the Exchange and the big banks to get a closer view of the national catastrophe. (116)

Even if their gaze had somehow penetrated the walls of the Exchange, however, and beheld the shouting, gesticulating, jostling brokers, the true dimensions of the "national catastrophe" would have remained invisible. Rather, it is as if the crowd congregates precisely in an attempt to materialize the event, to generate a scene whose recording will testify to the magnitude of the crisis. In a shot of the steps of Federal Hall taken on October 24, the massed ranks of the crowd uniformly face the camera square on, aware that they are being photographed (Figure 2). Some individuals are plainly posing self-consciously; some even wave jocularly in the direction of the camera. The image as a whole is a strange blend of the spontaneous and the staged. The crowd understands that its function is to render the invisible visible.

Figure 2. Crowd outside Federal Hall, Wall Street, October 24, 1929 ("Black Thursday"). Copyright Bettman Collection/Corbis.

A photograph taken a week later, in a London club, could hardly be more different: here, a young clerk with headphones chalks up stock prices as they are relayed from New York, while groomed, well-dressed men look on impassively from leather chairs (Figure 3). This, perhaps, is what a financial crisis "really" looks like: nothing more than marks on a board being mechanically inscribed, erased, and re-inscribed; the signifiers relentlessly working themselves out. The image dramatizes what Karyn Ball, in a compelling theorization of finance capital from a Derridean perspective, describes as "the autonomous agency of textual materiality" – "the agency of signifiers" themselves (14, 7, italics in original). Viewing this photograph, we witness a "linguistic" phenomenon in the sense of the term articulated by Claire Colebrook in an analysis of contemporary politics and economics through the work of Paul de Man: "inhuman forces, impersonal relations, and machinic systems that [cannot] be reduced to speech or already actualized matter" (143).

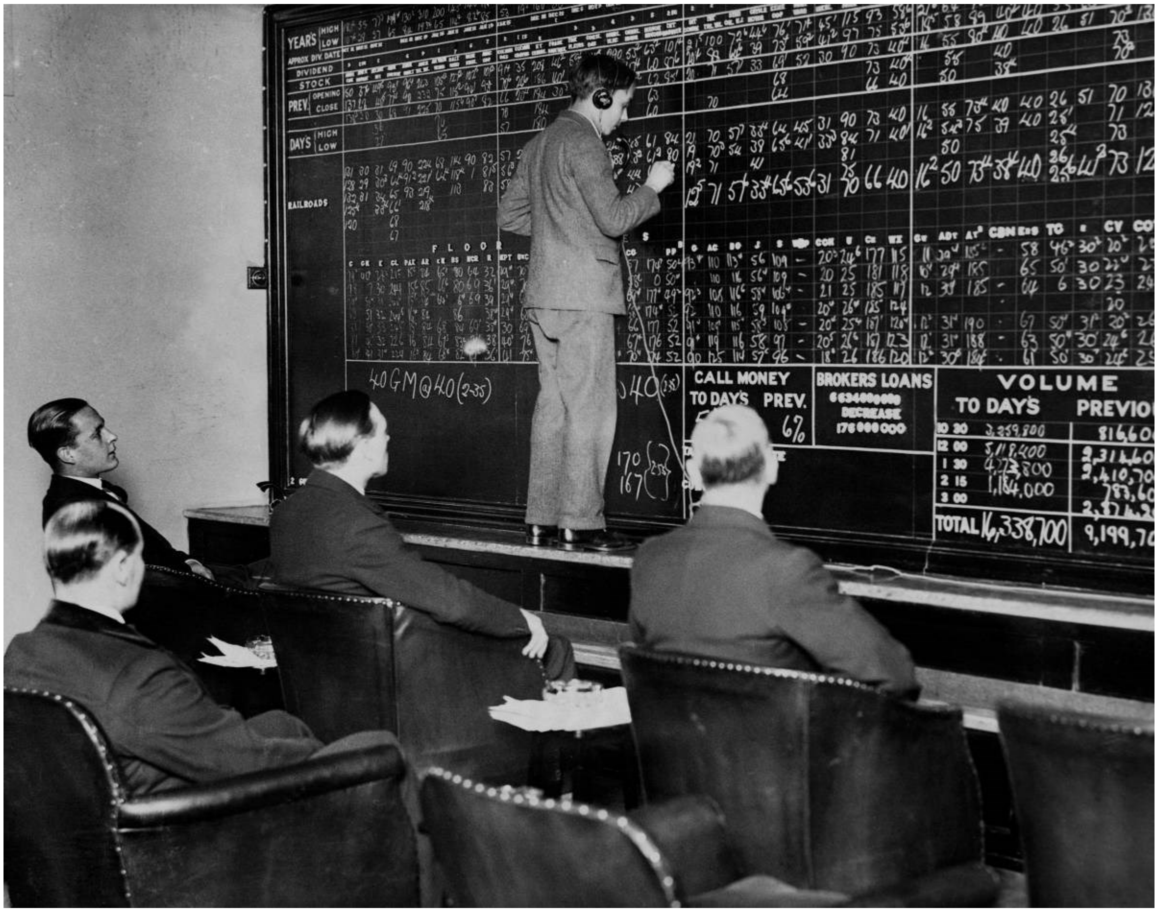

Figure 3. Clerk chalking up prices from the New York Stock Exchange at a club run by St Phalle Ltd., London, October 31, 1929. Copyright Hulton-Deutsch Collection/Corbis.

A further set of images that, in its own strange, accidental way, memorializes the crash with remarkable power was taken by the photojournalist Margaret Bourke-White during an advertising assignment for the First National Bank of Boston. Ironically, given their origins, the photographs would appear the following year in magazine advertisements that stressed the bank's strength and solidity (Figures 4 and 5).

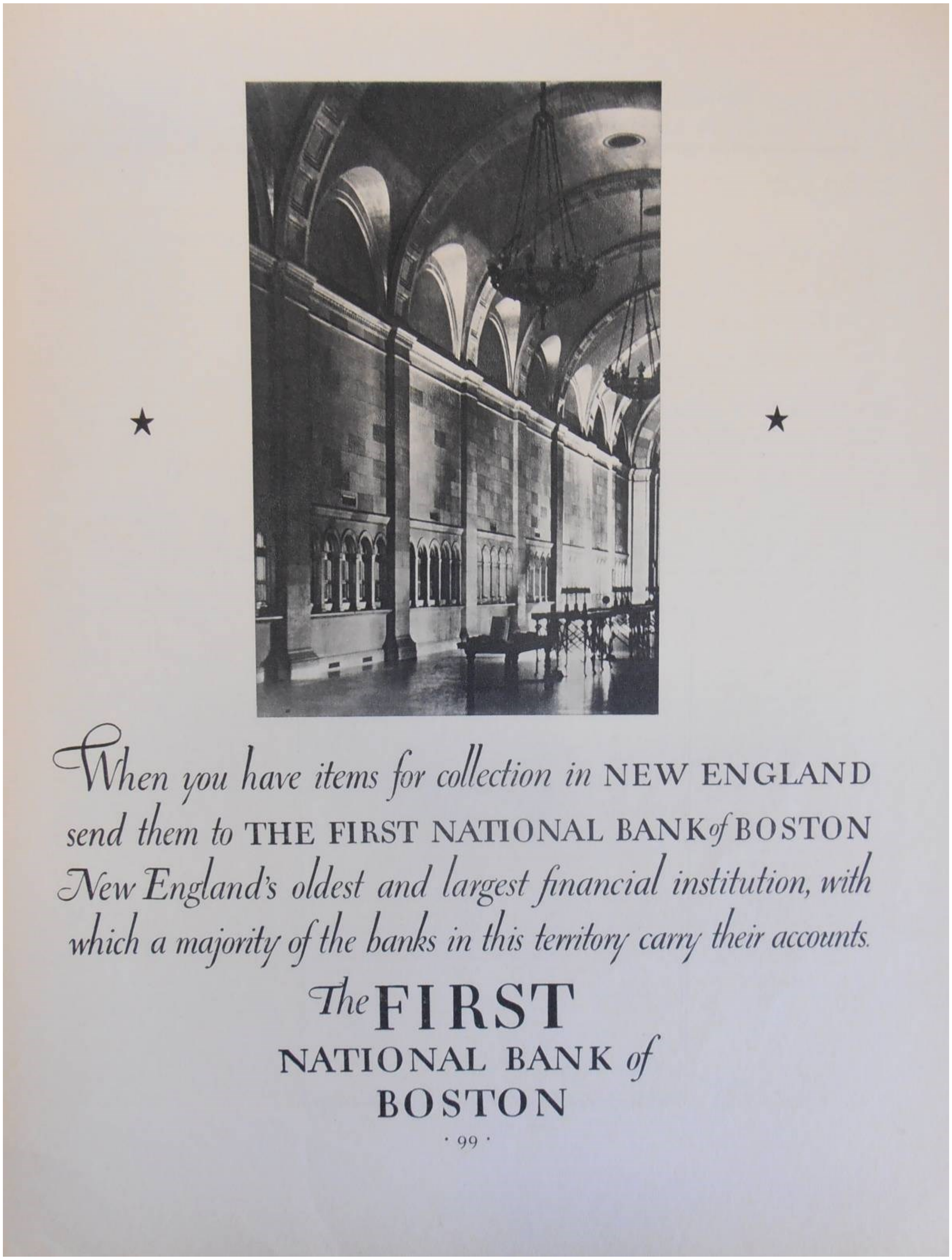

Figure 4. Advertisement for the First National Bank of Boston, *Fortune,* October 1930.

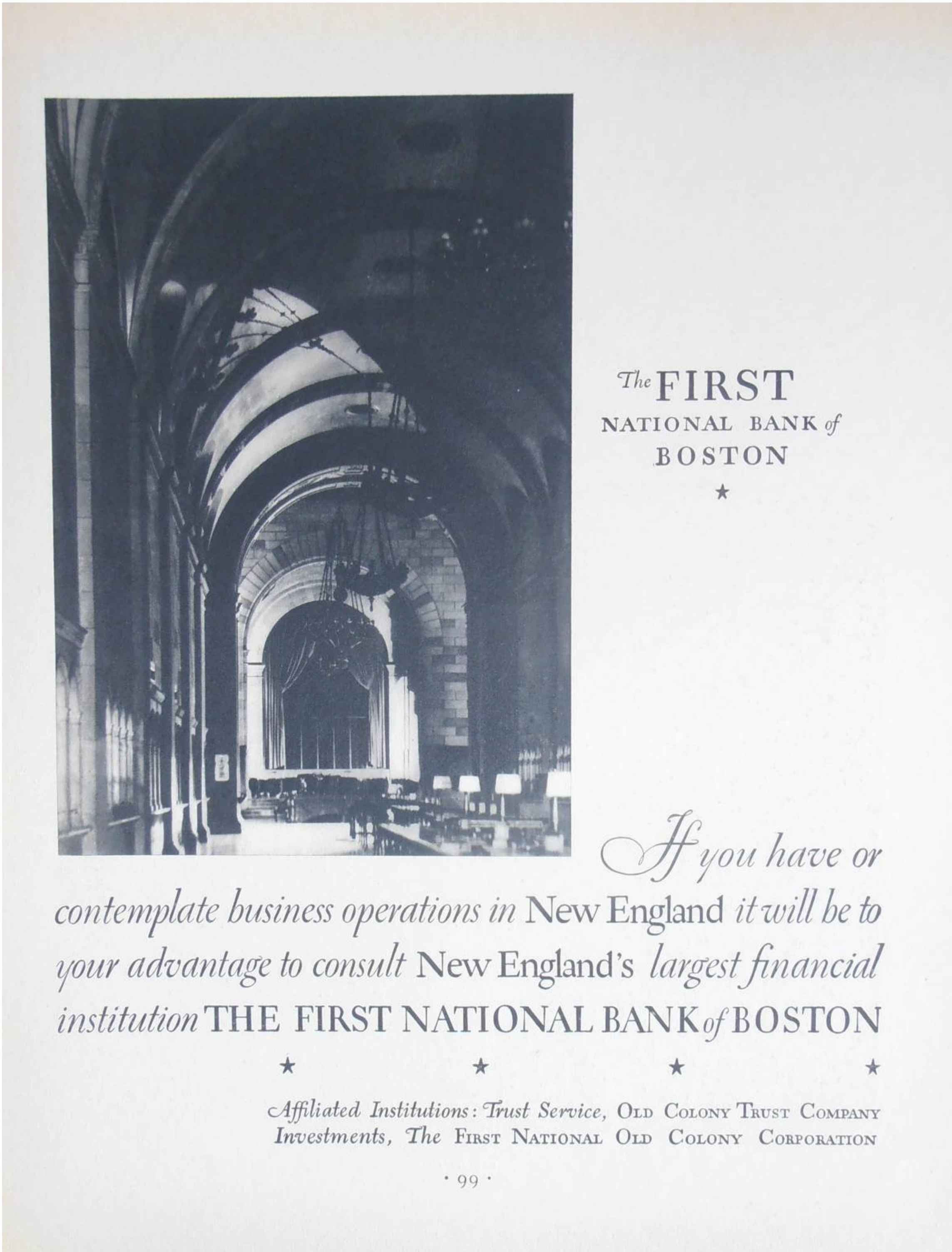

Figure 5. Advertisement for the First National Bank of Boston, *Fortune,* November 1930.

Bourke-White describes the circumstances of the photo shoot in her memoir:

> The event took place in late fall. I was in Boston at the time, doing a job for the First National Bank: a series of architectural photographs of their newly decorated lobby, which would run as ads in forthcoming issues of Fortune….
>
> I had so many pictures to take to finish up the bank job that I decided to work at night. The chief electrician of the bank generously consented to stick with me the whole night through….
>
> Expecting to see the bank lobby deserted after nightfall, we were astounded to find it full of vice-presidents and other bank officials running about, conferring, leaning over their desks, darting here and there with memos. Since my time exposures in the cavernous bank lobby had to be very long, I found this quite a nuisance, as I had to cap my lens every time a vice-president dashed in front of the camera….
>
> Finally one vice-president paused to talk back. As though he were addressing a very little girl indeed, he said, "I guess you don't know, the bottom dropped out of everything." The bottom dropped out of what? "The stock market! Haven't you read the papers?" I hadn't…. "They're carrying everything away in a basket." …
>
> Years later … I happened to tell this incident to [*Time* Editor] Roy Larsen. "To think," he said, "you must have been the only photographer in the whole United States who was inside a bank that night."

> History was pushing her face into the camera, and here was I, turning my lens the other way. (71-72)

Bourke-White's striking final sentence calls to mind the model of trauma theorized by Cathy Caruth (following Freud and Lacan), in which the traumatic event is somehow missed by the subject – "not assimilated or experienced fully at the time" – and persists, unprocessed, in the unconscious (1995, 4). If, however, History, as Fredric Jameson famously argued, can be identified with the Real (1981, 35, 81-82; 1982, 384-94), then it would not have been found in the scurrying movements of the bankers, on which Bourke-White regrets not having had the presence of mind to train her camera. There is a missed encounter here, but it is not a failure to point the lens in the right direction or to shoot the right things; rather, it is a lack of cognizance of what the camera itself is recording. As Ulrich Baer argues, photography has an

> ability to confront the viewer with a moment that had the potential to be experienced but perhaps was not. In viewing such photographs we are witnessing a mechanically recorded instant that was not necessarily registered by the subject's own consciousness. This possibility that photographs capture unexperienced events creates a striking parallel between the workings of the camera and the structure of traumatic memory. (8-9)

By pure chance, Bourke-White's camera captures the moment of an encounter with the Real, an encounter that she herself – on whom the "significance of the stock market crash [is] lost" (72) – does not fully register. However, while the "real Real" would have left its indexical imprint on the image in the form of some obtrusive material thing (Roland Barthes' punctum),[6] the symbolic Real encountered here leaves no visible trace. Bourke-White's images record an instant in which the symbolic Real of capital – the condition of possibility for the existence of the bank's grand, opulent, vaulted interior – has come to endanger the institution's very survival. But the disaster taking place at this moment, though of immense proportions, is intangible and abstract, and causes no immediate material damage. In Maurice Blanchot's words, it is a disaster that "ruins everything, all the while leaving everything intact" (1).[7]

Writing amid the "crisis of capitalist industry" (507) initiated by the Great Crash, Walter Benjamin, in his "Little History of Photography" (1931), quotes Bertolt Brecht's observation that "less than ever does the mere reflection of reality reveal anything about reality. A photograph of the Krupp [steel] works or the AEG [Allgemeine Elekticitäts Gesellschaft/General Electric Company] tells us next to nothing about those institutions…. The reification of human relations – the factory, say – means that they are no longer explicit" (Benjamin, 526).[8] If capital's systemic forces are occluded in photographs of industrial spaces, there is nonetheless, as Fredric Jameson suggests, an extent to which the massive mechanical structures that dominate such environments form a kind of "shorthand to designate that enormous properly human and anti-natural power of dead human labor stored up in our machinery"; such machines are "still visible emblems, sculptural nodes of energy which give tangibility and figuration to the motive energies of that [early twentieth-century] moment of modernization" (1991, 35, 36). How much less illustrative or expressive, in contrast, are images of a space – the bank, say – in which the economic processes in question necessarily lack any kind of self-emblematizing visual form? That being said, however, a remark of Benjamin's from elsewhere in the same essay helps to explain the power that Bourke-White's photographs nonetheless possess:

> No matter how artful the photographer, no matter how carefully posed his subject, the beholder feels an irresistible urge to search such a picture for the tiny spark of contingency, of the here and now, with which reality has (so to speak) seared the subject, to find the inconspicuous spot where in the immediacy of that long-forgotten moment the future nests so eloquently that we, looking back, may rediscover it. (510)

We search Bourke-White's still, somber, timeless compositions in vain for the "spark" that would index the singularity of their exposure to the Real. If the "spark of contingency" is absent from the images themselves, however, it enhalos them with an incandescent glow, for while they might have been taken on <u>any</u> night, fate dictated that they should have been taken on <u>that</u> night, endowing them with an extraordinary charge of historicity. By chance, they record the moment of the crash, even as they testify to its ultimate unrecordability, and, as such, issue an exceptionally eloquent appeal to posterity. This appeal is primarily experiential – we <u>feel</u> the electrifying touch of a momentous historical event – but what these photographs <u>tell</u> us, too, is that, given the impossibility of representing a financial crisis as such, the most effective figurations of such occurrences are likely to be those that – obliquely, fortuitously – capture something – some scene, moment, or image – which is not the crisis itself, but which nonetheless communicates an impression of the event's awesome power and magnitude.

Conclusion: Which Real Returns?

Bourke White's photographs, the Great Crash that they so resonantly memorialize, and the wider phenomenon of financial crisis explored in this essay demand a reconceptualization of the "traumatic turn" taken by much critical thought over the last two decades, and, in particular, of the notion of a "return of the Real" – a term that owes its currency to Hal Foster's 1996 book of the same name, but is also closely associated with the work of Cathy Caruth, Dominick LaCapra, and Michael Rothberg, among others.[9] Invariably, the Real that is understood to stage a return in this body of work is, in Žižek's terms, the "real Real": natural disasters, occasionally, but more often abject states of bodily violence, wounding, atrocity, and death. The Lacanian definition of trauma as an inherently missed, absent, or effaced encounter has made it possible to analyze texts and images in relation to "real things in the world" (Foster, 128) – countering poststructuralism's alleged semiotic idealism and fixation on the autonomous play of the signifier – while avoiding a return to "realist representation as usual" (Rothberg, 106). This attempt to encourage the humanities "to reconnect with historical violence" without "falling into the pitfalls of a naive historicism" (Stonebridge, 26) is both ethically and philosophically admirable. What it overlooks, however, is that, not just today, but in earlier eras too, some of the most paralyzing, socially destabilizing events are themselves, first and foremost, semiotic, textual phenomena; they emanate not from the real Real but from the symbolic Real. To draw a comparison that carries particular resonance in critical thought: while that ultimate form of material annihilation – planetary nuclear war, the defining Real of contemporary life for Walter A. Davis (130-31) – has not (yet) occurred, and hence continues to be, as Jacques Derrida famously put it, "fabulously textual, through and through" (23) (that is, merely discursive, symbolic, representational), financial crises stand as major, global events that occur with alarming regularity but themselves remain, precisely, "fabulously textual." Their material consequences, however, are all too palpable. As Žižek says, the "abstraction" of capital is "'real' in the precise sense of determining the structure of the material social processes themselves: the fate of whole strata of populations, and sometimes of whole countries, can be decided by the 'solipsistic' speculative dance of Capital." This lesson is being relearned in the wake of the global credit crunch, and it is no wonder that the default point of historical comparison for this crisis is the Great Crash of 1929, "a very major event," whose "really world-historical consequences [include] the Great Depression, [and] even perhaps the Second World War" (James 131). In a discussion of "the crisis of '29" in Libidinal Economy (1974), Jean-François Lyotard testifies vividly to the traumatic power of the symbolic Real when he observes that under the pressure of mere "economic signs" – "even the most abstract, and, it seems, the most innocent in the economist's eyes" – the "social 'body' … can fall apart, be taken to pieces, and go to pulp for a long time (right up until 1950-5, that is a quarter century counted on the clock of Weltgeschichte), and atrociously (millions and millions of deaths, millions of ruins)" (229, emphasis in original).

Since the fall of 2011, a concerted attempt to consign such devastating crises to history has been initiated everywhere from New York to London to Seoul to Sydney. What the "Occupy" movement, as it has become known, faces, however, is not only the bitter resistance of vested interests in business and government, but also the peculiar intractability, inertia, and autonomy of capital itself: capital possesses its own abstract and impersonal logic, irreducible to the individuals or institutions who take their turns in enacting its protocols. Under these circumstances, what would a truly transformational challenge to the rule of finance capital look like? In this connection, it is at the very least intriguing to note that, amid attempts by campaigners to lay claim to the spatial terrain of financial centers across the world, and to the symbolic and ideological terrain of public discourse, allies of the Occupy movement have sought to intervene at the level of the very code in which contemporary finance capital is instantiated, thereby disrupting and rerouting capital's seemingly hardwired circuits. Most notably, in December 2011 a splinter group linked to the "hacktivist" collective Anonymous used credit card details obtained from a US security company to make donations to a number of prominent charities (see Williams). While minor in scale (the hackers claimed to have expropriated a "mere" $500,000) and, in practical terms, likely counterproductive (since the charities were left with the time-consuming and potentially expensive prospect of repaying the funds), the campaign, dubbed "Operation Robin Hood" by supporters, had clear propaganda value, and, more significantly, materialized on the far horizon the possibility of a truly colossal, universal, and uncontainable redistribution of wealth, in which the vast drifts of capital stockpiled in a small scattering of financial strongholds would be strewn, thinly but evenly, over the surface of the planet.

Of course, such a thoroughgoing redistribution of immaterial wealth (unlike a large-scale expropriation of material property possessing innate use value) might, in fact, serve merely to render that wealth meaningless and worthless (to annihilate the only value it carries, exchange value), meaning that a strategy of this kind would only be effective in genuinely shifting the global balance of wealth as a campaign of targeted, covert, guerrilla-style strikes <u>within</u> the existing system of values, rather than as a mass, full-frontal assault <u>against</u> that system. Conversely, to decisively derail the automated mechanisms of contemporary financial exchange would not necessarily be to eradicate the automatism that is capital accumulation itself, for it is equally possible to imagine (along lines sketched by Manuel De Landa in relation to the historical emergence of capitalism) the dispersed wealth of the world spontaneously reassembling and reconsolidating itself into something very much resembling a capitalist system. Whichever of these future scenarios seems more plausible, it is in any case conceivable that, even as the struggle over the future of the global economy plays out in the streets, on the web, and in newspapers, talks shows, and the pages of scholarly journals, the most momentous battles may be fought far from sight, between ever more sophisticated strings of code, tracking one another silently across the world's networks and databanks.

Notes

I am grateful to colleagues in the English departments at the University of Amsterdam, New York University, the University of Northumbria, and the University of Westminster for opportunities to present earlier versions of portions of this essay. I also wish to thank Cultural Critique's anonymous reviewers for their helpful comments.

[1] Though Lacan's translators maintain the lower case form ("the real") in their translations of le réel, I follow recent commentators (most notably Slavoj Žižek, with whom this essay is in particularly close dialogue) in capitalizing the term where a specifically Lacanian usage is intended.

[2] Žižek's argument in this passage reverses the hierarchy implicit in Wark's model of three "natures," such that "third nature" takes precedence over second. As we will see in a moment, however, Žižek's enumeration of three "Reals" reveals his and Wark's frameworks to be broadly compatible, in that there is a strong affinity (if not a direct correspondence) between Žižek's "real Real," "imaginary Real," and "symbolic Real," on the one hand, and Wark's first, second, and third natures, on the other.

[3] For a detailed account and analysis of the role of program trading in the crash, see MacKenzie (179-210). A highly readable, accessible treatment of similar material is Fox (227-44).

[4] On this linkage, see, for example, the documentary Explosive 80s: The Storm and the Crash (Channel 4, 16 May 2005). Evidence of a possible, if slight, "hurricane effect" is noted in Limmack and Ward (275, 287). As well as enduring in the popular memory of Black Monday as a privileged causal factor, the storm has also been symbolically overcoded in fiction as an extended metaphor both for the crash itself and, as Joseph Brooker notes, for the wider "social upheaval" of Britain in the 1980s. Brooker mentions Tim Lott's novel Rumours of a Hurricane (2002) (see Brooker, 10 n. 9); other examples include the novels *High Latitudes* by James Buchan (1996) and Where the Light Remains

by Hayden Gabriel (2003), the travelogue Lights Out for the Territory (1997) by Iain Sinclair, and the BBC Two drama Our Friends in the North (episode 8, "1987," March 4, 1996). In these narratives, it is as if (as I will suggest shortly with respect to the Great Crash of 1929) the unrepresentability of the crisis makes it necessary to depict a different – more visibly destructive – event in its place, as a kind of substitute or surrogate.

[5] For some suggestive reflections on (specifically visual) figurations of the credit crisis, see Power and Sayeau.

[6] Barthes refers explicitly to the Lacanian Real in Camera Lucida (4); on the concept of the punctum, see 27, 40-49, 51-59, 96. For an analysis that connects the Real and the punctum, see Foster (132-36).

[7] Steven Shaviro quotes Blanchot's aphorism in reference to the recent credit crisis (par. 5).

[8] I am grateful to one of the anonymous reviewers of this essay for pointing out the resonance of Brecht's comments in this context.

[9] See, principally, Foster; Caruth, ed. 1995; Caruth 1996; LaCapra; Rothberg.

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